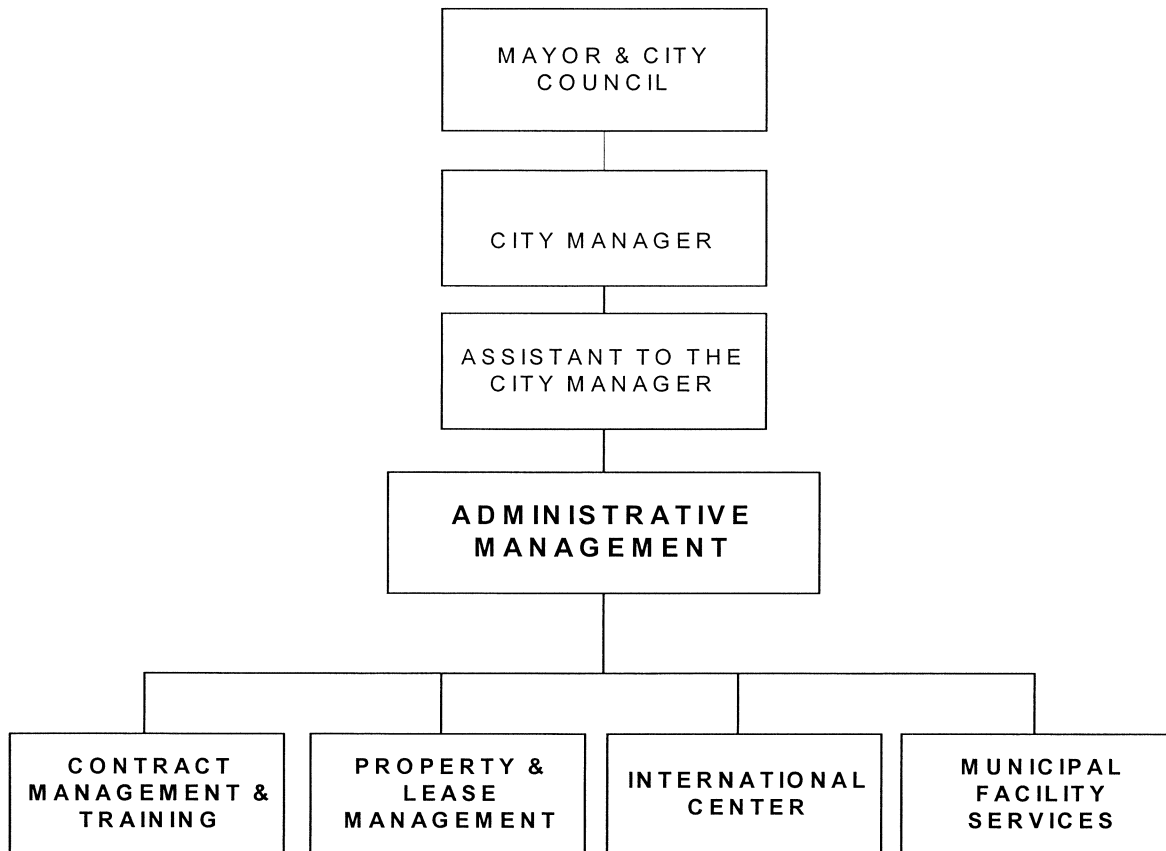


ASSET MANAGEMENT



APPROPRIATIONS BY FUND	FTE	ADOPTED 2004-2005
General Fund	12.00	\$1,082,261
Capital Projects	0.00	14,293,000
International Center Fund	9.00	1,456,207
Facility Services Fund	110.00	8,605,392
Total Funding	131.00	\$25,436,860

MISSION STATEMENT

The Department of Asset Management provides real estate, facility, strategic planning and other in-house consulting services to City departments and/or the public in order to maximize revenues, minimize liability, provide for the highest and best use of City assets, utilize industry best practices, and promote efficiency in the delivery of City services.

PROGRAM INFORMATION

The Department of Asset Management provides for a wide array of real estate services including property development, management, and disposition, as well as the negotiation and management of lease and license agreements for the use of City-owned property. In addition, the Department provides in-house consulting and strategic planning services to other City departments through the negotiation and review of lease agreements, fiber optic agreements, cellular tower leases and other contracts; the closure, vacation and abandonment of public right of way; and the development of technological and financial tools and processes to facilitate the management of real property assets.

GOALS & OBJECTIVES

To provide in-house consulting services and strategic planning for various City initiatives, as well as promote departmental initiatives related to property disposition, lease and license administration, telecommunication, and other specialized projects.

- ◆ Maximize revenue from property disposition, leases, contracts, and other special projects.
- ◆ Provide strategic planning services related to property use planning and development, space utilization, property maintenance/improvement planning services and funding.
- ◆ Develop recommendations concerning the allocation of space in new and existing facilities to minimize costs and maximize the availability of services through decentralization or co-location of programs.
- ◆ Continue to coordinate the development of a wide variety of special projects to include Municipal Marketing Partnership Plan, City Trademark Policies and the Historic Civic Center Facility Development Plan.
- ◆ Coordinate with Parks and Recreation Department on the implementation of the Hemisfair Park Master Plan.
- ◆ Maintain and maximize the highest and best use of City facilities and property, such as the Southwest Business & Technology Park and cultural facilities.
- ◆ Develop innovative methods to provide customers with professional services in an effort to maximize revenue and provide increased customer service, such as the development of technological tools to track property disposition projects.
- ◆ Identify surplus City-owned real property for the development of affordable housing opportunities or disposition.
- ◆ Promote a "Customer First" atmosphere through staff training opportunities and utilize processes and surveys that enhance and measure customer service.

BALANCED SCORECARD

	Strategic Objectives	Performance Measures	Actual FY 03	Rev. Bud. FY 04	Estimated FY 04	Adopted FY 05
Customer	Improve Customer Service					
	Provide City-wide in-house consulting services for the negotiation and review of City leases	No. of Leases Negotiated/Reviewed	81	80	55	60
	Promote a "Customer First" atmosphere through staff training opportunities and utilize processes and surveys that enhance and measure customer service	Property Disposition/Special Projects Customer Survey Approval Rating ¹	94.13%	92.00%	93.00%	93.00%
Financial	Provide Accountability to the Public					
	Maximize revenue from property disposition/special projects and lease/contract agreements	Revenue Collected from Property Disposition/Special Projects ²	\$845,593	\$731,990	\$736,783	\$727,750
		Revenue Collected from Leases/Contracts Monitored	\$536,059	\$523,353	\$556,267	\$560,709
Internal Processes	Innovative & Proactive City Government					
	Provide City-wide in-house consulting services for the negotiation and review of City leases	% of Leases Reviewed Within Three Days	96%	93%	98%	97%
Employee Learning & Growth	Improve Employee Services					
	Provide specialized employee training to enhance job enrichment and customer service skills	No. of Employees Completing Job Enhancement Training	N/A	N/A	N/A	10

EXPLANATORY INFORMATION

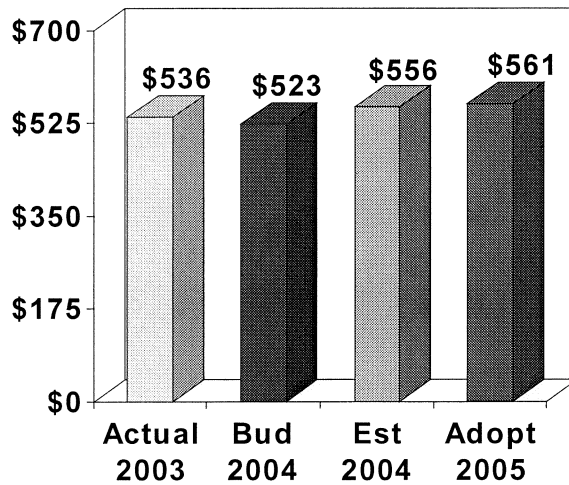
¹ A customer service survey to measure professionalism, competence, communication, timeliness/ responsiveness and overall customer service is mailed with the final project documents for every completed special project.

² As of the Revised Budget, revenue for FY 2004 is lower due to decline in fiber optic agreements resulting from the passage of HB 1777 by the Texas legislature, which allows Certified Telecommunications Providers (CTPs) to pay a per line fee in lieu of the rates approved by City Council for the use of public right of way for telecommunications.

ASSET MANAGEMENT**GENERAL FUND****GENERAL FUND EXPENDITURES BY CHARACTER**

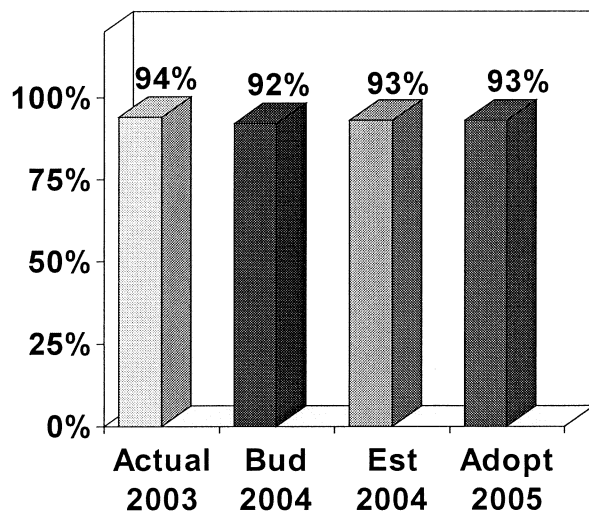
	ACTUAL 2002-2003	REVISED BUDGET 2003-2004	ESTIMATED 2003-2004	ADOPTED 2004-2005
PERSONAL SERVICES	\$1,201,899	\$1,353,298	\$1,282,620	\$808,730
CONTRACTUAL SERVICES	169,338	207,075	203,543	190,034
COMMODITIES	10,419	11,662	16,609	3,374
OTHER EXPENDITURES	92,148	92,649	92,649	80,123
CAPITAL OUTLAY	0	0	0	0
TOTAL EXPENDITURES	\$1,473,804	\$1,664,684	\$1,595,421	\$1,082,261
AUTHORIZED POSITIONS	20	22	22	12
FULL-TIME EQUIVALENTS	20.00	22.00	22.00	12.00

REVENUE COLLECTED FROM LEASES/CONTRACTS MONITORED (In Thousands)



✓ The Department of Asset Management collects revenues from leases/contracts that are monitored by the department to include building and ground leases, ATM, and vending machine contracts.

PROPERTY DISPOSITION/SPECIAL PROJECTS CUSTOMER SURVEY



✓ The Property Disposition Division surveys the petitioners for each completed special project processed such as License agreements, street closures, and surplus property to ascertain internal and external customers satisfaction.

PROGRAM INFORMATION

The Department of Asset Management is responsible for the management of the International Center. The Department negotiates and monitors the leases in addition to providing a high level of customer and facility service to the tenants. The International Center was developed as a multi-purpose facility promoting the City of San Antonio as a center for international trade and business. The International Conference Center is a major attraction of the facility, and its primary purpose provides for group business presentations and social functions, which promote the facility as a center for international trade and development.

GOALS AND OBJECTIVES

Maximize revenue through competitive leasing of building and International Conference Center space to promote the International Center as a focal point of international commerce and business development.

- ◆ Continue to provide International Center tenants with outstanding customer service, thereby ensuring tenant retention and satisfaction.
- ◆ Maximize the revenue generated by the International Center including the Conference Center.
- ◆ Continue to develop marketing opportunities for the International Conference Center including the website, to promote it as a premier multi-purpose meeting venue and increase revenues.
- ◆ Ensure that the International Center adheres to the City of San Antonio's revenue collections and deposit policy and procedures.
- ◆ Evaluate the customer satisfaction survey designed to provide feedback and identify the needs of International Center clients.
- ◆ Provide specialized employee training to enhance job enrichment and customer service skills.

BALANCED SCORECARD

	Strategic Objectives	Performance Measures	Actual FY 03	Rev. Bud. FY 04	Estimated FY 04	Adopted FY 05
Customer	Improve Customer Service					
	Continue to provide International Center tenants with outstanding customer service, thereby ensuring tenant retention and satisfaction	No. of Revenue Generating Functions	117	130	125	127
		Conference Center Customer Survey Approval Rating ¹	97%	92%	96%	96%
Financial	Provide Accountability to the Public					
	Maximize the revenue generated by the International Center including the conference center	% of Revenue above Operating Costs ²	8%	25%	25%	30%
		Revenue Collected	\$1,008,191	\$1,035,298	\$1,058,470	\$1,068,386
		Avg. Amount of Revenue per Revenue Generating Event Held in the Conference Room	\$887	\$875	\$850	\$865
Internal Processes	Innovative and Proactive Government					
	Ensure that the International Center adheres to the City of San Antonio's revenue collections and deposit policy and procedures	% of Catering Revenue Collected by the 45 th Day Following the Catering Event	81%	80%	79%	82%
Employee Learning & Growth	Improve Employee Services					
	Provide specialized employee training to enhance job enrichment and customer service skills	No. of Employees Completing Job Enhancement Training	2	2	2	8

EXPLANATORY INFORMATION

¹ A customer satisfaction survey is provided to every user of the International Conference Center.

² Calculation reflects the total revenue, less operating expenses, divided by the total revenue.

PROGRAM CHANGES♦ **IMPROVEMENTS****\$8,853****WORKFORCE COMPENSATION ENHANCEMENT**

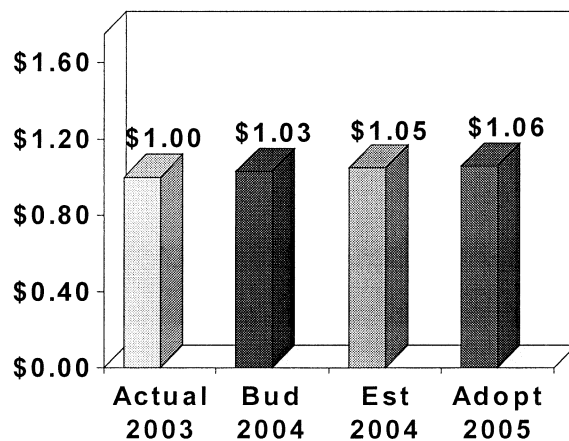
This *improvement* totaling \$8,853 will provide a market adjustment and performance pay incentive for eligible employees included in the International Center Fund budget. The market adjustment, effective October, 2004, will be distributed to civilian full-time and part-time employees based on annual base salaries. Employees with \$40,000 annual base salary and below will receive a three percent salary increase. Employees with above \$40,000 annual base salary will receive a two percent salary increase.

In addition, all eligible City employees with at least one year of service (who have been on the City's payroll as of October 1, 2003) will be eligible to receive performance pay in May 2005. The City's existing Employee Performance Management & Development System will serve as the foundation for effective distribution of the allocated performance pay.

INTERNATIONAL CENTER FUND EXPENDITURES BY CHARACTER

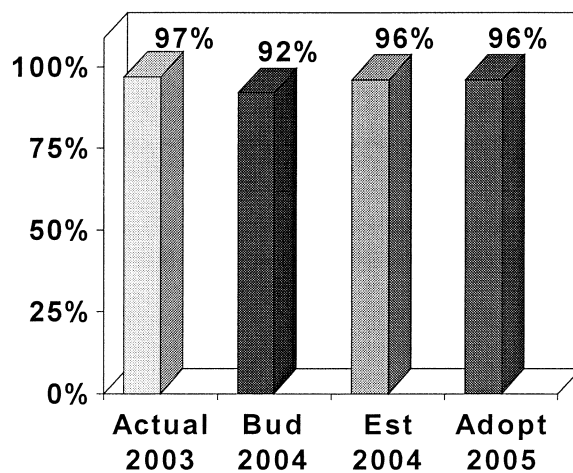
	ACTUAL 2002-2003	REVISED BUDGET 2003-2004	ESTIMATED 2003-2004	ADOPTED 2004-2005
PERSONAL SERVICES	\$330,770	\$337,680	\$337,875	\$358,963
CONTRACTUAL SERVICES	367,974	385,451	401,381	362,701
COMMODITIES	24,888	27,819	29,152	27,719
OTHER EXPENDITURES	143,914	24,282	24,282	19,658
CAPITAL OUTLAY	60,534	0	146	0
TRANSFERS	105,705	271,437	55,173	687,166
TOTAL EXPENDITURES	\$1,033,785	\$1,046,669	\$848,009	\$1,456,207
AUTHORIZED POSITIONS	9	9	9	9
FULL-TIME EQUIVALENTS	9.00	9.00	9.00	9.00

REVENUE COLLECTED AT THE INTERNATIONAL CENTER (IN MILLIONS)



- ✓ The International Center collects revenue from lease agreements with building tenants and the use of the conference center for special events such as conferences, banquets, and wedding receptions.

CONFERENCE CENTER CUSTOMER SURVEY APPROVAL RATING



- ✓ The International Center surveys the users of the conference center after each function to measure customer satisfaction with the facility.

PROGRAM INFORMATION

The Facility Services Division provides skilled trade (plumbing, electrical, carpentry, painting & HVAC) and maintenance services in over 270 facilities and provides custodial services to over 1.1 million square feet of municipal office space. The Division also manages a security contract for over 100 officers in 30 facilities and purchases, stores and distributes a wide variety of maintenance, construction and custodial supplies.

GOALS & OBJECTIVES

To provide the highest quality skilled trade, maintenance, custodial, security and supply services to our internal customers in an effective and efficient manner.

- ◆ Provide skilled trade (plumbing, electrical, carpentry, painting, HVAC), maintenance services, and custodial services to City Departments in an efficient and economical manner.
- ◆ Manage a security contract for the monitoring and protection of City buildings.
- ◆ Purchase, store, and distribute a wide variety of maintenance, construction, and custodial supplies to maintain City facilities.
- ◆ Promote regular preventative maintenance and scheduled capital improvements in an effort to lengthen the service life, prevent deterioration and reduce the operating costs over the functional service life of each facility.

BALANCED SCORECARD

	Strategic Objectives	Performance Measures	Actual FY 03	Rev. Bud. FY 04	Estimated FY 04	Adopted FY 05
Customer	Improve Customer Service					
	Promote a "Customer First" atmosphere through staff training opportunities and utilize processes and surveys and enhance and measure customer service.	Customer Survey Approval Rating	92%	80%	90%	90%
Financial	Public Trust and Awareness of Citizens					
	Maintain custodial cost/square foot within 10 cents of the BOMA reported cost/square foot	Avg. Custodial Cost per Square Foot, Per Year ^{1, 2}	\$1.56	\$1.58	\$1.52	\$1.56
Internal Processes	Innovative and Proactive Government					
	Maximize the amount of available hours for skilled trades spent on billable work orders	% of Available Skilled Trade Hours Spent on Billable Work Orders ³	79%	85%	80%	82%
Employee Learning & Growth	Improve Employee Services					
	Provide specialized employee training to enhance job enrichment and customer service skills	No. of Employees Completing Job Enhancement Training	N/A	N/A	65	50

EXPLANATORY INFORMATION

¹ A customer service survey gauging customer satisfaction of service delivery is generated with every five work orders issued to City departments.

² Building Owner and Managers Association (BOMA) reported the 2002 national average for custodial services per square foot per year to be \$1.53 in government facilities.

³ The National Average is 80,800 square feet per trade laborer.

PROGRAM CHANGES
♦ REDIRECTIONS/REDUCTIONS
\$451,951
REDUCE COST OF MAINTENANCE SERVICES

This **reduction** will eliminate one vacant Maintenance Worker, four vacant Building Custodians, one filled Carpentry Supervisor, one filled Carpenter I, one filled Painting Supervisor, three filled Painter II's, and one filled Painter I positions. This reduction includes \$423,563 for personnel and \$12,750 in associated costs. This reduction will result in savings of \$436,313 in FY 2005.

PROGRAM CHANGES CONTINUED***EMPLOYEE UNIFORM INITIATIVE***

This **reduction** totaling \$2,277 will establish requirements related to the purchase and/or lease and issuance of uniforms to full-time permanent city employees. In an effort to reduce costs yet, improve the quality and consistency of City issued uniforms the Purchasing Department has developed a standard employee uniform initiative. Under this initiative, all employees within specified job classes will be provided with uniforms appropriate for their work environment.

EFFICIENCIES IN CITY VEHICLES USE & MAINTENANCE

This **reduction** will result in net savings totaling \$13,361 to the Department. Savings will be achieved by eliminating underutilized vehicles from the City's fleet, extending the life of the current fleet from 72,000 miles to 84,000 miles, and increasing in-house fleet and equipment maintenance, repair, and paint & body services, currently provided by the private sector at a higher cost.

◆ IMPROVEMENTS**\$141,380*****WORKFORCE COMPENSATION ENHANCEMENT***

This **improvement** totaling \$125,656 will provide a market adjustment and performance pay incentive for eligible employees included in the Facility Services Fund budget. The market adjustment, effective October, 2004, will be distributed to civilian full-time and part-time employees based on annual base salaries. Employees with \$40,000 annual base salary and below will receive a three percent salary increase. Employees with above \$40,000 annual base salary will receive a two percent salary increase.

In addition, all eligible City employees with at least one year of service (who have been on the City's payroll as of October 1, 2003) will be eligible to receive performance pay in May 2005. The City's existing Employee Performance Management & Development System will serve as the foundation for effective distribution of the allocated performance pay.

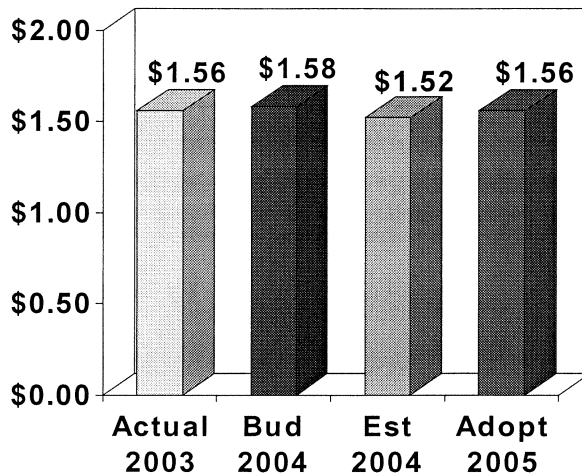
CERTIFICATION PAY PILOT PROGRAM

This **improvement** totaling \$15,724 will provide eligible employees with incentive pay for obtaining approved certifications associated with enhancing job performance. The program will focus on rewarding employees, primarily those in the skilled craft and service/maintenance areas. This program will also reimburse civilian employees for exam fees and certification fees paid in the obtainment of the certification.

ASSET MANAGEMENT**FACILITY SERVICES FUND****FACILITY SERVICES FUND EXPENDITURES BY CHARACTER**

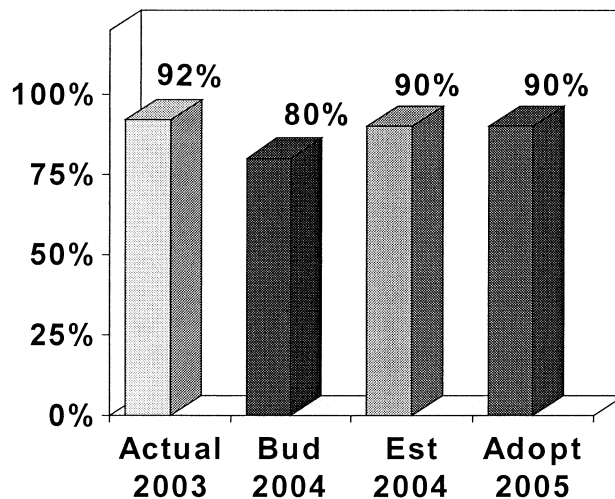
	ACTUAL 2002-2003	REVISED BUDGET 2003-2004	ESTIMATED 2003-2004	ADOPTED 2004-2005
PERSONAL SERVICES	\$5,030,674	\$4,653,482	\$4,838,216	\$4,174,104
CONTRACTUAL SERVICES	3,421,231	3,182,701	3,318,772	3,536,916
COMMODITIES	422,593	382,678	371,375	321,101
OTHER EXPENDITURES	63,646	63,646	63,646	34,383
CAPITAL OUTLAY	61,927	0	0	0
TRANSFERS	445,586	769,620	788,133	538,888
TOTAL EXPENDITURES	\$9,445,657	\$9,052,127	\$9,380,142	\$8,605,392
AUTHORIZED POSITIONS	144	137	123	110
FULL-TIME EQUIVALENTS	144.00	137.00	123.00	110.00

AVERAGE CUSTODIAL COST PER SQUARE FOOT



- ✓ The Facility Services Division tracks the average cost per square foot of providing upkeep for City facilities.
- ✓ Overall the costs have remained consistent as a result of efficiencies in service delivery and staffing.

CUSTOMER SURVEY APPROVAL RATING



- ✓ A customer service survey gauging customer satisfaction for service delivery is generated with every fifth work order.
- ✓ Service delivery includes HVAC, construction, and plumbing and electrical services.